

SENATE BILL REPORT

SB 5619

As Reported by Senate Committee On:
Commerce & Labor, February 18, 2013

Title: An act relating to exempting from prevailing wage requirements public works projects undertaken to repair fire damage.

Brief Description: Exempting from prevailing wage requirements public works projects undertaken to repair fire damage.

Sponsors: Senator Holmquist Newbry.

Brief History:

Committee Activity: Commerce & Labor: 2/13/13, 2/18/13 [DP, DNP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Hewitt and King.

Minority Report: Do not pass.

Signed by Senators Conway, Ranking Member; Hasegawa and Keiser.

Staff: Mac Nicholson (786-7445)

Background: Employers on public works projects must pay prevailing wages. The prevailing wage is the hourly wage, usual benefits, and overtime paid to the majority of workers in the same trade or occupation in the largest city of the county where the work is being performed. The prevailing wage is determined by the industrial statistician at the Department of Labor and Industries. Prevailing wage requirements apply to all public works and public building service maintenance contracts of the state or any county, municipality, or political subdivision.

In 2012, six wildfires in eastern Washington exceeded 20,000 acres: the Barker Canyon Complex, Wenatchee Complex, Table Mountain, Taylor Bridge, Apache Pass, and Cascade Creek fires.

Summary of Bill: Prevailing wage requirements do not apply to projects undertaken to repair damage caused by a wildfire that exceeds 20,000 acres, originates in a county east of the Cascades, and results in a mobilization by the Department of Natural Resources.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The prevailing wage exemption ends July 1, 2015.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Central Washington was hit by devastating wildfires this year causing extensive damage. This bill will help limit the cost of rehabilitation. Prevailing wage laws have come to represent an additional cost on construction projects. This bill is one thing that can be done to help. Research shows that prevailing wage requirements add 30 to 40 percent to construction costs.

CON: The rebuilding of public property is public construction and should be subject to prevailing wage requirements. Prevailing wages are not a penalty. Reports and studies show prevailing wages aren't negative to the economy or to workers and projects.

Persons Testifying: PRO: Representative Manweller.

CON: David Meyers, WA State Building Trades Council.